

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NORTH DAKOTA

In Re:)	Bankruptcy No. 23-30246
)	Chapter 11 – Subchapter V
Bourbon Street LLC,)	
dba La Cantina,)	
)	
Debtor.)	
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Petri Enterprises, LLC,)	Bankruptcy No. 23-30247
dba La Cantina,)	Chapter 11 – Subchapter V
dba Heros and Legends Sports Bar,)	
dba Heros and Legends,)	
)	
Debtor.)	
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Gannett Peak, LLC,)	Bankruptcy No. 23-30248
dba La Cantina,)	Chapter 11 – Subchapter V
)	
Debtor.)	
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**ORDER GRANTING INTERIM RELIEF ON
MOTION FOR LEAVE TO USE CASH COLLATERAL**

Debtors Bourbon Street LLC, Petri Enterprises, LLC, and Gannett Peak, LLC, filed a Motion for Leave to Use Cash Collateral. Doc. 5. On August 2, 2023, the Court held a preliminary hearing on the motion. Based on the motion, exhibits and evidence offered during the August 2, 2023, hearing, the Court found that use of a limited sum of cash collateral during the interim period was necessary to avoid immediate and irreparable harm. Accordingly, for the reasons stated on the record, it granted interim relief from July 31, 2023, to August 15, 2023.

The Court held a second interim hearing on August 15, 2023. Based on the motion, exhibits and evidence offered during the August 2, 2023, hearing, the Court finds that use of a limited sum of cash collateral during the interim period is necessary

to avoid immediate and irreparable harm. More specifically, the relief provided in this Order is necessary to maintain Debtors' operations during the interim period. Accordingly, for the reasons stated on the record,

IT IS ORDERED:

1. The Motion is GRANTED on an interim basis.
2. Consistent with the weekly budget proposed (except the allocation of rent which Petri Enterprises may not currently be obligated to pay), Petri Enterprises is authorized to use \$9,338.50 in cash collateral (with no more than a 10% variance in this sum), including collateral that is subject to Financial Pacific Leasing, Inc.'s (FinPac) liens, during the interim period, August 16, 2023, to August 28, 2023.
3. As adequate protection for Petri Enterprises' use of cash collateral, Petri Enterprises agreed to grant FinPac a "rolling replacement lien on cash generated by Petri Enterprises during the course of its Chapter 11 case up to the full sum of FinPac's claim." Accordingly, to the extent Petri Enterprises uses prepetition cash collateral in which FinPac holds a security interest, Petri Enterprises is authorized to grant FinPac replacement liens, pursuant to 11 U.S.C. § 552, in Petri Enterprises' post-petition cash and inventory of the same priority, dignity, and effect as the prepetition liens on the prepetition property of Petri Enterprises; provided, however, that such replacement liens shall not attach to avoidance actions or other actions under Chapter 5 of the Bankruptcy Code or any proceeds or recoveries from them. The liens and security interests granted shall be effective and perfected without any further act by any party.
4. Consistent with the weekly budget proposed, Bourbon Street LLC is authorized to use \$10,086.69 in cash collateral (with no more than a 10% variance in this

sum), including collateral that is subject to Choice Financial Group's (CFG) liens, during the interim period, August 16, 2023, to August 28, 2023. As adequate protection for Bourbon Street's use of cash collateral, Bourbon Street agreed to make a one-time payment in the sum of \$2,000, which CFG will apply to Bourbon Street's debt. Bourbon Street anticipates making this payment within 48 hours after entry of this Order.

5. As adequate protection, Bourbon Street also agreed to grant CFG a "rolling replacement lien on the revenues of Bourbon Street, while preserving its extant lien on the non-cash assets of Bourbon Street." Accordingly, to the extent Bourbon Street uses prepetition cash collateral in which CFG holds a security interest, Bourbon Street is authorized to grant GFC replacement liens, pursuant to 11 U.S.C. § 552, in Bourbon Street's post-petition cash and inventory of the same priority, dignity, and effect as the prepetition liens on the prepetition property of Bourbon Street; provided, however, that such replacement liens shall not attach to avoidance actions or other actions under Chapter 5 of the Bankruptcy Code or any proceeds or recoveries from them. The liens and security interests granted shall be effective and perfected without any further act by any party.

6. Consistent with the weekly budget proposed (except the allocation of rent which Gannett Peak may not currently be obligated to pay), Gannett Peak is authorized to use not more than \$18,600 in cash collateral (with no more than a 10% variance in this sum), including collateral that is subject to Micro Advance, LLC's liens, during the interim period, August 16, 2023, to August 28, 2023. As adequate protection for Gannett Peak's use of cash collateral, Gannett Peak agreed to grant Micro Advance a rolling replacement lien on the revenues of Gannett Peak, while preserving its extant lien on the non-cash

assets of Gannett Peak, reserving the right to challenge the validity and extent of this lien in the future. Accordingly, to the extent Gannett Peak uses prepetition cash collateral in which Micro Advance holds a security interest, Gannett Peak is authorized to grant Micro Advance replacement liens, pursuant to 11 U.S.C. § 552, in Gannett Peak's post-petition cash and inventory of the same priority, dignity, and effect as the prepetition liens on the prepetition property of Gannett Peak; provided, however, that such replacement liens shall not attach to avoidance actions or other actions under Chapter 5 of the Bankruptcy Code or any proceeds or recoveries from them. The liens and security interests granted shall be effective and perfected without any further act by any party.

The final hearing on this matter will be held on August 28, 2023. The deadline to object to final relief is August 16, 2023, except that CFG is granted until August 23, 2023, to file an objection to Bourbon Street LLC's request for relief.

Dated: August 15, 2023.



SHON HASTINGS, JUDGE
UNITED STATES BANKRUPTCY COURT